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GREATER NEW ORLEANS AFTERSCHOOL PARTNERSHIP
FINANCIAL STATEMENTS
AND
AUDITOR'S REPORT
DECEMBER 31, 2011

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date **JUN 20 2012**

GREATER NEW ORLEANS AFTERSCHOOL PARTNERSHIP

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Justin J. Scanlan, C.P.A., LLC.

A LIMITED LIABILITY COMPANY

4769 ST ROCH AVE.

NEW ORLEANS, LOUISIANA 70122

TELEPHONE (504) 288-0050

INDEPENDENT AUDITOR'S REPORT

Board of Directors

Greater New Orleans Afterschool Partnership

We have audited the accompanying statement of financial position of Greater New Orleans Afterschool Partnership (a non-profit corporation), as of December 31, 2011, and the related statements of activities, and cash flows for the year then ended. These financial statements are the responsibility of the corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from the Corporation's 2010 financial statements and, in our report dated April 26, 2011, we expressed an unqualified opinion on those financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Greater New Orleans Afterschool Partnership as of December 31, 2011, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated May 16, 2012, on our consideration of Greater New Orleans Afterschool Partnership's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Justin J. Scanlan, CPA, LLC

New Orleans, Louisiana

May 16, 2012

GREATER NEW ORLEANS AFTERSCHOOL PARTNERSHIP

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2011

ASSETS

		TOTAL MEMORANDUM ONLY <u>DECEMBER 31, 2010</u>
Cash	\$ 278,823	\$ 288,450
Receivables		
Grants (Notes A4 and B)	120,860	449,082
Other	<u>3,149</u>	<u>11,866</u>
	<u>124,009</u>	<u>460,948</u>
Prepaid expenses and deposits	10,384	6,438
Property and equipment - at cost (Notes A5 and C)	<u>2,856</u>	<u>1,963</u>
Total assets	<u>\$ 416,072</u>	<u>\$ 757,799</u>

LIABILITIES AND NET ASSETS

Accounts payable and accrued liabilities	\$ 13,940	\$ 23,790
Accrued annual leave	<u>42,904</u>	<u>30,869</u>
Total liabilities	<u>56,844</u>	<u>54,659</u>
Commitment (Note D)	-	-
Net assets		
Unrestricted	116,982	157,581
Temporarily restricted (Note E)	<u>242,246</u>	<u>545,559</u>
Total net assets	<u>359,228</u>	<u>703,140</u>
Total liabilities and net assets	<u>\$ 416,072</u>	<u>\$ 757,799</u>

The accompanying notes are an integral part of this financial statement

GREATER NEW ORLEANS AFTERSCHOOL PARTNERSHIP

STATEMENT OF ACTIVITIES

For the year ended December 31, 2011

TOTAL
MEMORANDUM ONLY
FOR THE YEAR
ENDED
DECEMBER 31, 2010

	Unrestricted	Temporarily Restricted	Total	
REVENUE				
Grants	\$ -	\$ 93,729	\$ 93,729	\$ 249,725
Governmental (Note 1)	-	696,645	696,645	1,055,770
Other	58,308	600	58,908	20,691
Contributions	116,644	-	116,644	38,406
Contract income	6,000	-	6,000	3,560
Fees	13,241	-	13,241	1,300
Other	1,094,287	< 1,094,287 >	-	-
Net assets released from restrictions	1,288,480	< 303,313 >	985,167	1,369,452
Total revenues				
	566,128	-	566,128	480,817
	88,148	-	88,148	77,620
	14,072	-	14,072	11,969
	55,998	-	55,998	58,099
	40,136	-	40,136	38,611
	409,973	-	409,973	278,393
	51,537	-	51,537	-
	25,039	-	25,039	16,082
	14,194	-	14,194	17,797
	18,018	-	18,018	13,995
	1,907	-	1,907	1,884
	43,929	-	43,929	18,993
Total expenses	1,329,079	-	1,329,079	1,014,260
Increase (decrease) in net assets	< 40,599 >	< 324,393 >	< 343,912 >	355,192
Net assets beginning of year	157,581	545,559	703,140	317,918
Net assets end of year	\$ 116,982	\$ 242,246	\$ 359,228	\$ 703,140
EXPENSES				
Salaries	566,128	-	566,128	480,817
Fringe benefits	88,148	-	88,148	77,620
Travel	14,072	-	14,072	11,969
Occupancy expense	55,998	-	55,998	58,099
Professional fees	40,136	-	40,136	38,611
Contract services	409,973	-	409,973	278,393
Subgrants	51,537	-	51,537	-
Operating supplies	25,039	-	25,039	16,082
Conveying	14,194	-	14,194	17,797
Underwriting expense	18,018	-	18,018	13,995
Depreciation	1,907	-	1,907	1,884
Other costs	43,929	-	43,929	18,993
Total expenses	1,329,079	-	1,329,079	1,014,260
Increase (decrease) in net assets	< 40,599 >	< 324,393 >	< 343,912 >	355,192
Net assets beginning of year	157,581	545,559	703,140	317,918
Net assets end of year	\$ 116,982	\$ 242,246	\$ 359,228	\$ 703,140

The accompanying notes are an integral part of this financial statement

GREATER NEW ORLEANS AFTERSCHOOL PARTNERSHIP

STATEMENT OF CASH FLOWS

For the year ended December 31, 2011

Increase <decrease> in cash and cash equivalents

Cash flows from operating activities

Decrease in net assets

\$ < 343,912>

Adjustments to reconcile increase in net assets to cash
used in operating activities

Depreciation

\$ 1,907

Changes in assets and liabilities

Decrease in grants receivables

328,222

Decrease in other receivables

8,717

Increase in prepaid expenses and deposit

< 3,946>

Decrease in accounts payable and accrued
liabilities

< 9,850>

Increase in annual leave payable

12,035

337,085

Net cash used in operating activities

< 6,827>

Cash flows from investing activities

Purchase of equipment

< 2,800>

Net cash used in investing activities

< 2,800>

Net increase <decrease> in cash and cash equivalents

< 9,627>

Cash and cash equivalents, beginning of year

288,450

Cash and cash equivalents, end of year

\$ 278,823

The accompanying notes are an integral part of this financial statement

GREATER NEW ORLEANS AFTERSCHOOL PARTNERSHIP

NOTES TO FINANCIAL STATEMENTS

December 31, 2011

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows

1. **Organization**

Greater New Orleans Afterschool Partnership was organized as the intermediary organization leveraging resources to programs that serve children and youth during "out of school" hours in New Orleans. The corporation maintains strong connections between community groups, schools, government agencies, and families. Serving as this critical link, the corporation strives to fill any gaps between existing local youth systems and to create a strong infrastructure that effectively supports the children and youth of New Orleans.

2. **Financial Statement Presentation**

The corporation's financial statements are presented in accordance with requirements established by the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) as set forth under FASB ASC 958. Accordingly, the net assets of the corporation are reported in each of the following classes: (a) unrestricted net assets, (b) temporarily restricted net assets, and (c) permanently restricted net assets.

Unrestricted Net Assets – Net assets which are not subject to donor-imposed restrictions.

Temporarily Restricted Net Assets – Net assets which are subject to donor-imposed restrictions that may be met by the actions of the Corporation or the passage of time.

Permanently Restricted Net Assets – Net assets subject to donor-imposed restrictions that they be maintained permanently by the Corporation. Generally, the donors of these assets stipulate that the income earned or related investments be used for specific purposes. The corporation has no permanently restricted net assets.

3. **Revenue Recognition**

Contributed support is reported as unrestricted or restricted depending on the existence of donor stipulations that limit the use of the support. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activity as "net assets released from restrictions."

Grant revenue is recognized as it is earned in accordance with approved contracts.

4. **Receivables**

The corporation considers accounts receivable to be fully collectible since the balance consists primarily of payments due under governmental contracts. If amounts due become uncollectible they will be charged to operations when that determination is made.

GREATER NEW ORLEANS AFTERSCHOOL PARTNERSHIP

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2011

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

5 Property, Building and Equipment

Greater New Orleans Afterschool Partnership records property acquisition at cost. Donated assets are recorded at estimated value at date of donation.

Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives, principally on the straight line method. Depreciation expense for the year ended December 31, 2011 totaled \$1,907.

It is the policy of the corporation to capitalize all property, furniture, and equipment with an acquisition cost in excess of \$1,000.

6. Cash equivalents

For purposes of the statement of cash flows, the corporation considers all investments with original maturities of three months or less to be cash equivalents.

7. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

8. Fair Values of Financial Instruments

Cash and cash equivalents carrying amounts reported in the Statement of Financial Position approximate fair values because of the short maturities of those investments.

9. Functional Allocation of Expenses

The expenses of providing the program and other activities have been summarized on a functional basis in Note H. Certain of those expenses have been allocated among the program and supporting services benefited based on estimates by management of the costs involved.

10. Subsequent Events

The subsequent events of the organization were evaluated through the date the financial statements were available to be issued (May 16, 2012).

11 Total Columns – Memorandum Only

Total columns are captioned 'Memorandum Only' to indicate that they are presented only to assist with financial analysis. Data in these columns do not present financial position or changes in net assets in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

GREATER NEW ORLEANS AFTERSCHOOL PARTNERSHIP

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2011

NOTE B - GRANTS RECEIVABLE

Grant receivables at December 31, 2011 consist of the following

New Orleans Police and Justice Foundation, Inc	\$ 25,938
The After-School Corporation	79,374
New Schools for New Orleans	<u>15,548</u>
	<u>\$ 120,860</u>

NOTE C - PROPERTY AND EQUIPMENT

Property and equipment at December 31, 2011 consists of the following

	<u>Cost</u>
Office equipment	\$ 8,453
Less accumulated depreciation	<u>< 5,597 ></u>
	<u>\$ 2,856</u>

NOTE D - COMMITMENT

The corporation leases office space for its administrative and program office in New Orleans under a noncancellable agreement accounted for as an operating lease, expiring November 30, 2014. The rental expense for the year ended December 31, 2011 totaled \$32,967.

The lease commitment is as follows

Year ended December 31,

2012	\$ 47,608
2013	47,608
2014	<u>43,641</u>
	<u>\$ 138,857</u>

GREATER NEW ORLEANS AFTERSCHOOL PARTNERSHIP

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2011

NOTE E – TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets at December 31, 2011 consist of the following

CP3 Foundation	\$ 74,347
JP Morgan Chase Foundation	76,180
W K Kellogg Foundation	34,218
The Afterschool Corporation	<u>60,501</u>
	<u>\$ 242,246</u>

NOTE F – SUMMARY OF FUNDING

Greater New Orleans Afterschool Partnership funding for governmental grants consist of the following

<u>Grants</u>	<u>Periods</u>	<u>Grant Award</u>	<u>Revenue Recognized</u>
<u>Governmental</u>			
New Schools for New Orleans	4/12/11-9/30/15	\$ 354,715	\$ 39,868
New Orleans Police and Justice Foundation, Inc	9/1/10-8/31/12	107,000	<u>53,861</u>
			<u>\$ 93,729</u>

NOTE G - INCOME TAXES

The corporation is exempt from corporate income taxes under Section 501(c)(3) of the Internal Revenue Code

NOTE H – FUNCTIONAL EXPENSES

The functional expenses for the year ended December 31, 2011 consist of the following

Program services	
Afterschool partnership	\$ 1,072,557
Supportive services	
Management and general	194,412
Fundraising	<u>62,110</u>
Total supportive services	<u>256,522</u>
Total expenses	<u>\$ 1,329,079</u>

NOTE I - BOARD OF DIRECTORS COMPENSATION

The Board of Directors is a voluntary board, therefore, no compensation was paid to any member

GREATER NEW ORLEANS AFTERSCHOOL PARTNERSHIP

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2011

NOTE J – FAIR VALUE MEASUREMENT

Financial Accounting Standards Board Accounting Standards Codification (ASC) as set forth in FASB ASC 820-10 requires disclosure of the estimated fair value of certain financial instruments and the methods and significant assumptions used to estimate their fair value. Financial instruments within the scope of FASB ASC 820-10 are included in the table below.

<u>Fair Value Measurement of Reporting Date</u>				
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash	\$ 278,823	\$ 278,823	\$ -	\$ -
Receivables	124,009	124,009	-	-
Accounts payable and accrued liabilities	<u>< 56,844 ></u>	<u>< 56,844 ></u>	<u>-</u>	<u>-</u>
	<u>\$ 345,988</u>	<u>\$ 345,988</u>	<u>\$ -</u>	<u>\$ -</u>

The assumptions to estimate fair values are as follows:

1. The fair value of cash and cash equivalents, receivables, accounts payable and accrued liabilities approximate book value at December 31, 2011 due to the short-term nature of these accounts.

NOTE K – ECONOMIC DEPENDENCY

Greater New Orleans Afterschool Partnership received the majority of its revenue from funds provided through grants administered by the State of Louisiana and the federal government. The grant amounts are appropriated each year by the federal and state government. If significant budget cuts are made at the federal and/or state level, the amount of the funds the corporation receives could be reduced significantly and have an adverse impact on its operations. At the time of completion of the examination of the corporation's financial statements, management was not aware of any actions taken that would adversely affect the amount of funds the corporation will receive in the next fiscal year.

The corporation's support through federal grants totaled 10% for the year ended December 31, 2011.

Justin J. Scanlan, C.P.A., LLC

A LIMITED LIABILITY COMPANY

4769 ST. ROCH AVE.

NEW ORLEANS, LOUISIANA 70122

TELEPHONE (504) 288-0050

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Independent Auditor's Report

Board of Directors
Greater New Orleans Afterschool Partnership

We have audited the financial statements of Greater New Orleans Afterschool Partnership (a non-profit corporation) as of and for the year ended December 31, 2011, and have issued our report thereon date May 16, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of Greater New Orleans Afterschool Partnership is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered Greater New Orleans Afterschool Partnership's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Greater New Orleans Afterschool Partnership's internal control over financial reporting. Accordingly, we do not express an opinion on the Organization's internal control over financial reporting.

A *deficiency* in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Greater New Orleans Afterschool Partnership's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance, or other matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use management, Board of Directors, the Louisiana Legislative Auditor, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

New Orleans, Louisiana
May 16, 2012

Justin J. Scanlon, CPA, LLC

GREATER NEW ORLEANS AFTERSCHOOL PARTNERSHIP

SCHEDULE OF FINDINGS AND RESPONSES

For the year ended December 31, 2011

A. SIGNIFICANT DEFICIENCIES

There were no significant deficiencies for the year ended December 31, 2011

B. QUESTIONED COSTS

There were no questioned costs for the year ended December 31, 2011

C. STATUS OF PRIOR YEAR AUDIT FINDINGS

There were no prior year audit findings